



UNCLASSIFIED

U.S. Army Garrison-Miami



Basic Allowance for Housing FY20 Data Collection / ISO CY21 BAH

08 Mar 2021

[*CY 21 Data Approved -v- DTMO Rates Released Dec 2020*]



USAG Miami



Figure 2-1: 2020 BAH Program Timeline

2020	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
MHO RESPONSIBILITIES													
Submit Contacts, Properties, & Units*			15-Mar	←————→					10-Jul				
BAH Training #1	★ 14-Jan												
BAH Training #2		★ 11-Feb											
BAH Training #3			★ 10-Mar										
BAH Training #4				★ 07-Apr									
Webinar #1 (DCS†)	★ 22-Jan												
Webinar #2 (DCS)			★ 25-Mar										
Online Q&A Before Milestone 1 (DCS)				★ 22-Apr									
1st MHO Milestone				★ 24-Apr									
Online Q&A Before Milestone 2 (DCS)						★ 03-Jun							
2nd MHO Milestone						★ 05-Jun							
Online Q&A Before Milestone 3 (DCS)							★ 8-Jul						
3rd MHO Milestone							★ 10-Jul						
Review RDN Data		15-Mar	←————→					07-Aug					
RDN RESPONSIBILITIES													
BAH Training	←————→		07-Apr										
Utility Cost Estimates						1-Jul	←————→		24-Jul				
Rental Data Collection‡		15-Mar	←————→					31-Jul					
Verification of MHO-Submitted Data		15-Mar	←————→					31-Jul					
Final QA and Data Preparation							←————→		21-Aug				
Site Reviews	←————→										30-Oct		
Technical and Customer Support	←————→												
OSD RESPONSIBILITIES													
Rate Calculation								←————→					
2021 BAH Rates Approved										←————→			



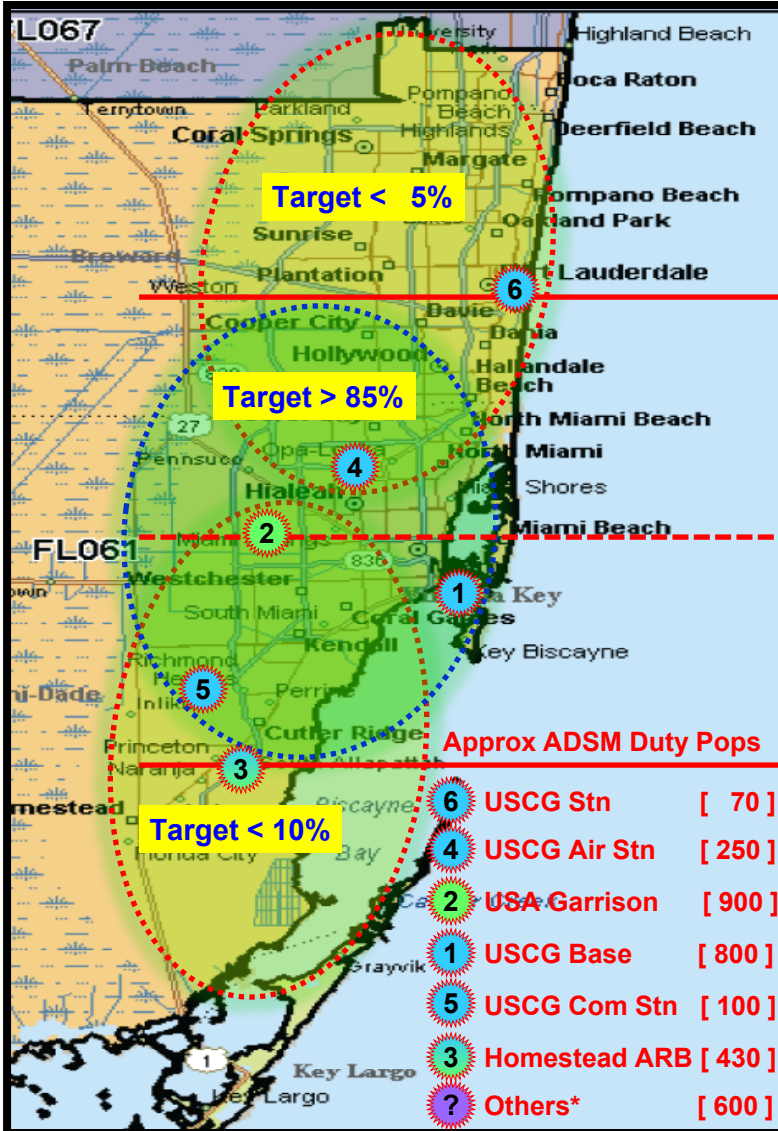
*MHOs may submit Contacts at any time. MHOs may submit Properties and Units until the 3rd Milestone, 10 July.
 †The online meeting platform for Webinars and Milestone Q&As will be Defense Collaboration Services (DCS)
 ‡Data collection for "Early Start" MHAs may begin as early as 1 February.



USAG Miami



Data Distribution -v- ~ Active Duty Site Population / Commutes



Commute Sub Markets
(20-mile / 60-min @ Peak Traffic)

Broward-N
60-min for ~95
(Target < 5% of Data)

70 15

Broward-S
60-min for ~2505
(Target > 40% of Data)

800 900 250 460

Dade-N
60-min for ~3065
(Target > 45% of Data)

430 100 125

Dade-S
60-min for ~655
(Target < 10% of Data)

* Others Not Stationed, ~600 distributed proportional to others across MHA

STRATEGY...

- Attend Annual Training Sessions w/DTMO BAH Contractor (Jan-Feb)
 - Annual Collaboration w/USCG, the Primary MHO for Miami-Fort Lauderdale (Feb)
 - Collect 85% of Data within 20-mile Commute Zone for most of Military Population (Mar-Jul)
 - Collect 75 Good Properties for each of 6 Profiles before the DoD/DTMO Contractor
 - Analysis of Data at End of Each Collection Cycle to ensure we're Consistent
- Bottomline:** USCG and USAG Miami collaborate on an annual basis, attempt to collect 85% of data within 20-mile / 60-minute commute of the majority of our respective populations' places of duty.
- BUT...** Miami-Fort Lauderdale is a very large and complex real estate market impacted by foreign investment, "tourist" pricing, and other factors that make it difficult for service members to navigate and housing offices to effectively support.

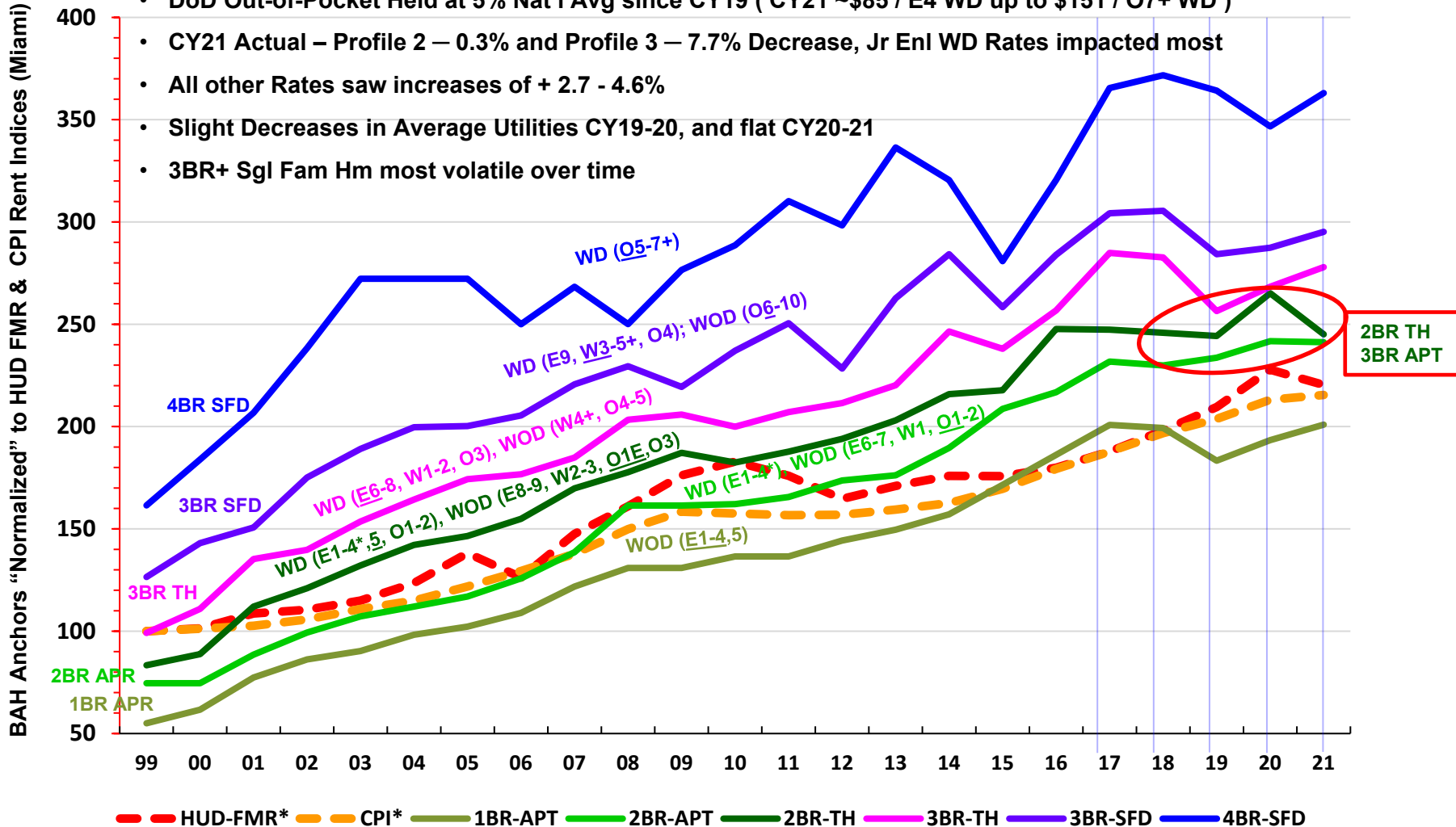


USAG Miami



CY 99-21 "Indexed" BAH Anchors -v- HUD FMR and BLS CPI* Rent (Miami)

- DoD Out-of-Pocket Held at 5% Nat'l Avg since CY19 (CY21 ~\$85 / E4 WD up to \$151 / O7+ WD)
- CY21 Actual – Profile 2 – 0.3% and Profile 3 – 7.7% Decrease, Jr Enl WD Rates impacted most
- All other Rates saw increases of + 2.7 - 4.6%
- Slight Decreases in Average Utilities CY19-20, and flat CY20-21
- 3BR+ Sgl Fam Hm most volatile over time



* Indices for HUD Fair Market Rent (Dade-Broward Average) & USBLS CPI for Rent of Primary Residence (Miami-Fort Lauderdale, Avg Apr-Jul BAH Data Window)

** Actual CY21 BAH Rates, DMTO Released Dec 2021



USAG Miami



FY20 Approved Data (Sep 20) -v- CY21 Approved Rates (Dec 20)

BAH Rates for each Housing Profile / Anchor were calculated as follows...

- Median Rent + Average Utilities = “Total” Housing, Less **5%** DoD Out-Of-Pocket** = Projected BAH

TRENDS... 3-4% Increased for Some, But Decreases for most challenged Grades

- **Challenges w/2BR APT + 2BR TH (3BR APT) Profiles, Will Consult w/RE SMEs whether consistent with Market**
- **COVID19 + Low Loan APRs Creating “Availability” Challenges, Especially w/SFDs (= Higher Rent = Higher BAH)**

Profile	#1 1BR-APT	#2 ⁽¹⁾ 2BR-APT	#3 ⁽¹⁾⁽²⁾ 2BR-TH	#4 3BR-TH	#5 3BR-SFD	#6 4BR-SFD
WD Rate/Anchor	N/A	N/A	E5	E6	W3	O5
WOD Rate/Anchor	E1-4	O1	O1E	O3E	O6	N/A
CY21 Median Rent (<u>Projected</u>)	\$1785	\$2143	\$2158	\$2450	\$2585	\$3200
+ Average Utilities (<u>CY21 Actual</u>)	+ \$215	+ \$254	+ \$290	+ \$323	+ \$263	+ \$427
= Total Housing (<u>Full BAH</u>)	\$2000	\$2397	\$2448	\$2773	\$2948	\$3627
- 5% DoD Cost Share ⁽³⁾	- \$70	- \$80	- \$94	- \$104	- \$113	- \$141
CY21 BAH <u>Projected (Sep 20)</u>	\$1930	\$2317	\$2354	\$2669	\$2835	\$3486
CY21 BAH <u>Actual (Dec 20)</u>	\$1932	\$2316	\$2352	\$2670	\$2835	\$3483
CY20 Rates	\$1857	\$2322	\$2547	\$2577	\$2760	\$3330
CY21 <u>Actual</u> % Change (+/-)	(+ 4.0%)	(- 0.2%)	(- 7.7%)	(+ 3.6%)	(+ 2.7%)	(+ 4.6%)
CY16-21 Avg Annual % Change	TBD	TBD	TBD	TBD	TBD	TBD

(1) E1-4 WD Rate is the Mid-Point (Average) of Anchors #2 and #3

(2) 2BR TH Profile also includes 3BR APTs due to relatively few 2BR THs in the local market (Data supports that this “Increase” -v- “Decreases the resulting Median Rent)

(3) DoD is applying an Fixed Out-of-Pocket Reduction based on 5% National Average by Grade/Rate, Estimated @ Last Year’s +2%



USAG Miami – Annual BAH Data Collection UPDATE @ Milestone 3

- **Projected Rates = DTMO Published Rates, No Surprises**
 - *Utilities have had slight reductions for past 2-years across all profiles, but consistent with FP&L rate reductions due to POTUS Tax Cuts and Lower Fuel Costs.*
 - *DoD has maintained Out-of-Pocket Cost Share at 5% of National Average since 2019*
 - *ISSUE... Profile 2 (2BR APT) was Flat and 3 (2BR TH/DPLX) 7.7% Decrease...*
 - *E1-6, O1 WD Rates decreased 4.1-7.7% WOD... E6-9, W1-3, O1-3 Rates decreased 0.3-7.8%*
 - *NO “SMOKING GUN” with Data Distribution, E. Miami Data pushed Rate > All Other Areas*
 - *Inclusion of 3BR APT in 2BR TH/DPLX Actually Increased the Rates*
- **Data Distribution...**
 - *Finished with 74, 78, 70, 75, 76, 75 = 448 Approved Properties for 6 BAH Housing Profiles*
 - *Geographic Distribution... 79% within 20-mile / 60-min Commute Zone, and 21% of the data was from <5-miles of Post in Doral*

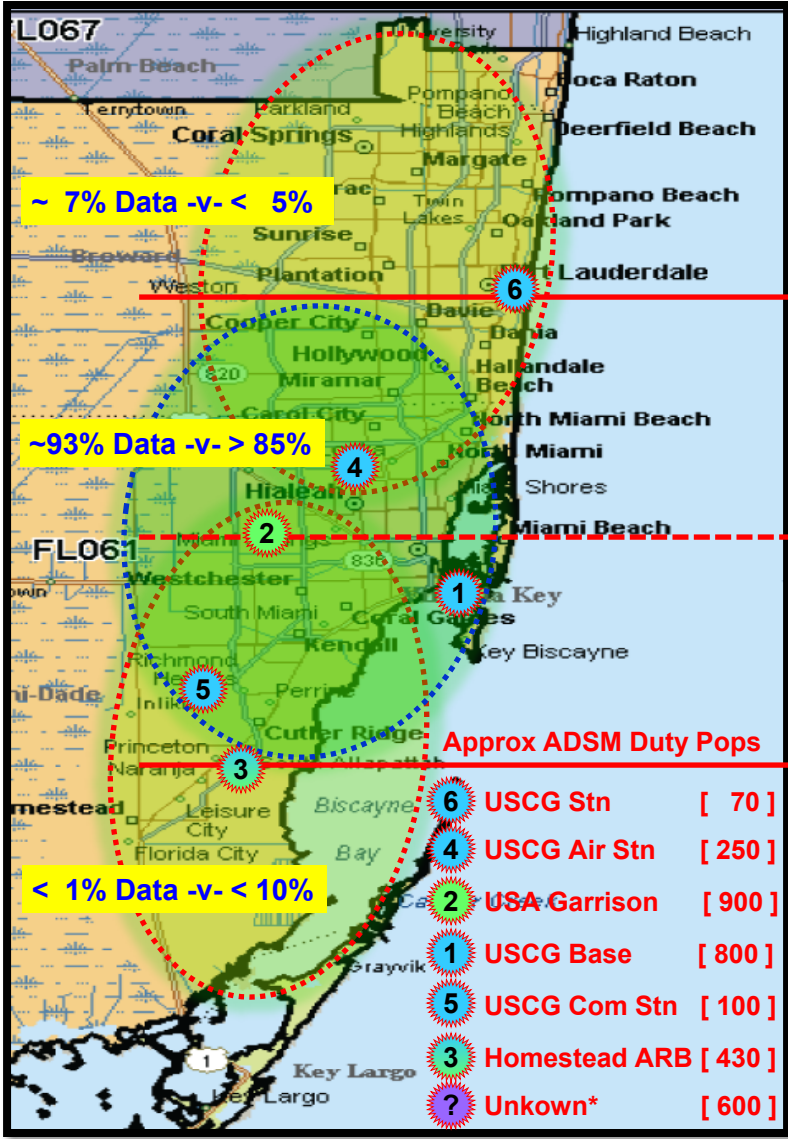
<i>N. Broward...</i>	<i>21%</i>
<i>20-mile Zone...</i>	<i>79%</i>
<i>Doral+ < 5 miles</i>	<i>21%</i>
<i>S. Dade...</i>	<i>0%</i>
 - *73% Approved Data from MHOs (USAG + USCG) -v- 27% DoD Contractor (RDN)*
- **Way Ahead... FY21 Data Collection (CY22 Rates)**
 - *Monitor Closely for Geographic Distribution and Quality of Units*
 - *New Rules significantly reduced Census Tract exclusions (18% -v- high 40s previously)*
 - *Will require more scrutiny of data collected by DoD Contractor*



USAG Miami (FY20 → CY21 Rates)



Data Distribution -v- ~ Active Duty Site Population / Commutes



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CY21 Approved Data = 448 Properties

1BR-APT	2BR-APT	2BR-TH	3BR-TH	3BR-SFD	4BR-SFD
74	78	70	75	76	75

94 / 448 = 21% of Data (6%>Target)

11 (15%)	10 (13%)	14 (20%)	7 (9%)	28 (37%)	24 (32%)
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~ 20-mile / 60-min @ Peak Traffic

354 / 448 = 79% of Data (6%<Target)

63 (85%)	68 (87%)	56 (80%)	68 (91%)	48 (63%)	51 (68%)
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~ 20-mile / 60-min @ Peak Traffic

0 / 421 = 0.0% of Data (Low=Good)

0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
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79% < 20-mile / 60-min Commute Zone for 85% ADSMs

- 38% S. Broward
- 31% N. Dade (21% <5-miles from Post)
- 10% C. Dade

21% N. Broward (> 20-mile / 60-min Communte)

0% S. Dade